

# Mexico Transportation Market Update

April 22, 2022



# Transportation Market Update

Schneider's goal is to provide the latest market insights to help you navigate the ongoing market volatility.

Whether moving a critical load, keeping your supply chain going or long-term planning, Schneider remains committed to safely and securely delivering your freight.

Schneider leverages data and analytics from multiple sources to provide the most up-to-date insights available including, but not limited to, FTR, DAT, FreightWaves SONAR, Cass Information Systems, Inc., FleetOwner, FMCSA, The New York Times, ATRI and Transport Topics. For the latest information and updates, visit [Schneider's Trending Topics page](#).

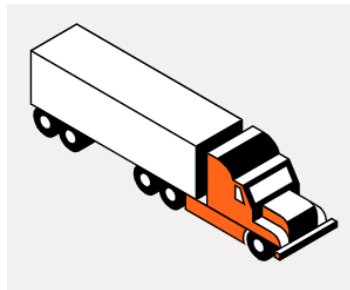


## Celebrating 30 years of serving you!

2022 marks 30 years that Schneider has been servicing the Mexico cross-border market. Our decades of cross-border freight experience mean your cargo moves throughout North America without delay. We have the assets, facilities, associates and third-party relationships in place to deliver safely, securely and on-time. Throughout the year you will see more content celebrating the last 30 years!



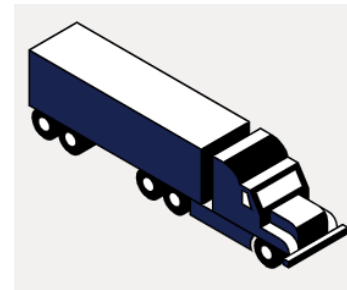
Dry Van Truckload



Dedicated



Intermodal



Brokerage



Bulk



Logistics

## Schneider executive leadership team updates

**Executive Vice President and Group President of Transportation and Logistics Dave Geyer** will retire this month, following a highly distinguished 35-year career at Schneider.

As a result, **Jim Filter will succeed Geyer as Executive Vice President and Group President of Transportation and Logistics**. In his new role, Filter will oversee the company's operations, commercial sales, marketing and logistics segments.

Lastly, **Erin Van Zeeland will succeed Filter as Chief Commercial Officer**, in addition to her accountabilities as the Group Senior Vice President and General Manager of Logistics. In her new role, Van Zeeland will lead Schneider's sales and marketing strategy and capability enablement to continue to take our enterprise to the next level.

Get more details here: [Geyer/Filter News Release](#) [Van Zeeland News Release](#)







Join us in-person

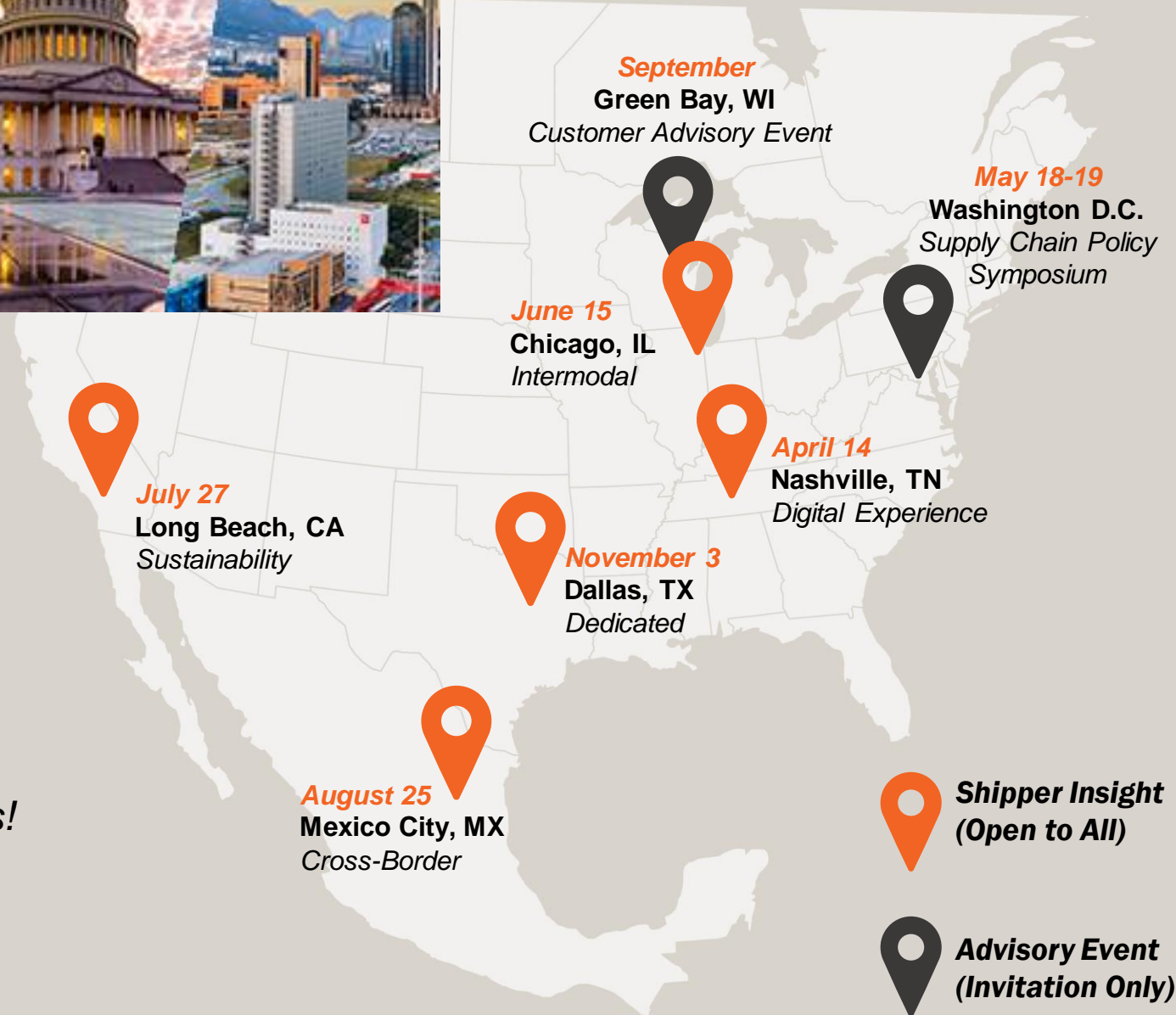
## 2022 Shipper Insight events

Interested in **learning** the latest strategies for navigating the ever-changing transportation industry?

Want to **network** with your industry peers and the Schneider team?

If your answers are yes, you'll find great value in attending any of our Shipper Insight Series events!

[Learn more and register](#)



## In the news: Mexico regains spot as top US trading partner in February

- Mexico was the United States' No. 1 trading partner in February, knocking China off the top spot and into third place. The last time Mexico ranked No. 1 was April 2021.
- Mexico's trade with the U.S. increased 16% year-over-year in February to \$56.25 billion:
  - Imports from Mexico increased 19% to \$33 billion
  - U.S. exports to Mexico increased 13% to \$23.7 billion
- Port Laredo was the top-ranked U.S. port of entry for trade with Mexico in February, totaling 211,347 commercial truck crossings, **a 27.5% increase from the same month in 2021.**

### Top Mexico to U.S. exports, February 2022

Gasoline	\$2.5 billion
Auto Parts	\$1.4 billion
Natural Gas	\$1 billion
Computer Chips	\$940 million
Computers	\$769 million

[Read article](#)

Source: [freightwaves.com](https://freightwaves.com); April 2022

## In the news: Procurement bids to suppliers in Mexico surging

- A recent Wall Street Journal article highlights the increase of nearshoring as a result of the pandemic.
- According to procurement software firm, Jaggaer, the company from 2020 to 2021 tracked:
  - A 514% increase in Mexican suppliers receiving bids from its big U.S. buyers.
  - A 155% increase in Latin American suppliers receiving bids.
  - At the same time, the company found those manufacturers sought goods from 26% fewer suppliers in the Asia-Pacific region.
- They have also seen manufacturers adding suppliers to their supply chain.
- The combination of expanding supplier relationships and bringing production closer to end users, is a growing effort to keep product on shelves.



Source: Paul Ratje/Bloomberg News

Have access to the Wall Street Journal? [Read the article here.](#)

## In the news: Mexico moves up to 4th-largest global auto parts producer

- Mexico was the fourth-largest auto parts manufacturer in the world during 2021, according to the Mexican National Auto Parts Industry Association (INA), producing \$94.78 billion worth of auto parts, a 21% increase from \$78 billion in 2020.
- INA said the increase was due to greater demand for regional value content for passenger vehicles in the manufacture of auto parts to comply with provisions in the United States-Mexico-Canada Agreement (USMCA).
- To remain duty free, vehicles assembled in North America must have 75% of their components made in the North American region, according to USMCA.

[Read article](#)



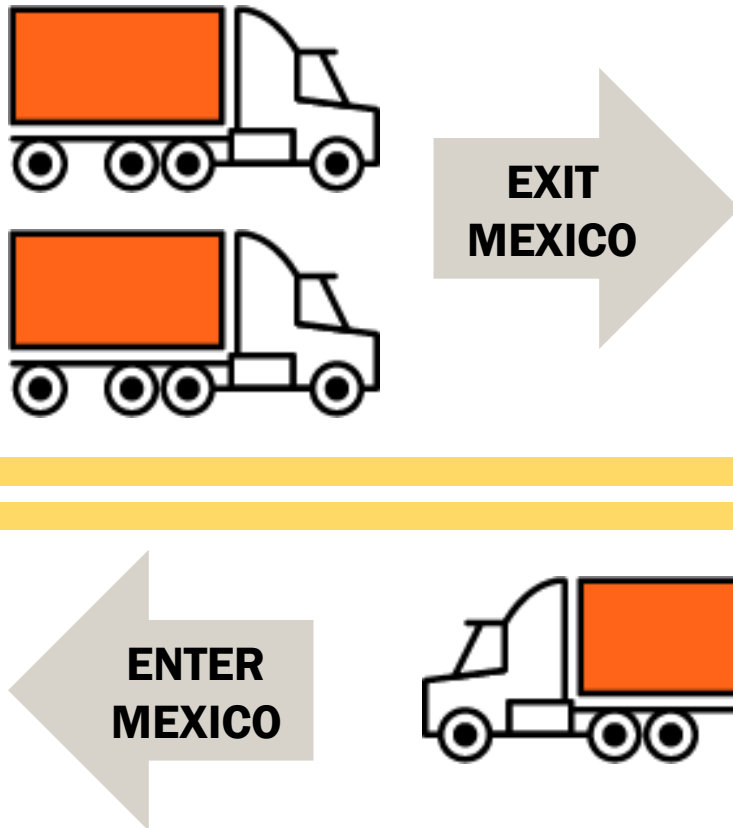
Source: FreightWaves

- The top global auto parts producers (in order) in 2021 were China, the U.S., Japan, Mexico and Germany.

Source: [freightwaves.com](https://freightwaves.com); April 2022



## WANTED: Southbound freight to Mexico



Recent data from National Institute of Statistics and Geography, INEGI, shows that the export gap between Mexico and the U.S. has continued to widen, with two northbound shipments for every southbound shipment.

The gap in southbound freight means there is a lack of available capacity for northbound freight. To meet demand, often empty containers need to be sent to Mexico to cover that freight at a higher cost.

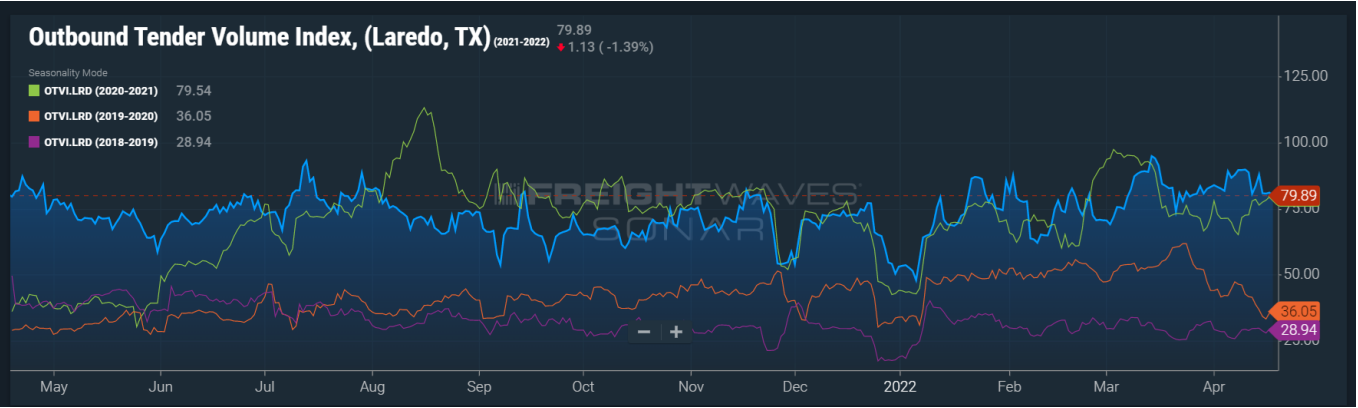
If you have freight going southbound, let's work together to meet the needs of northbound capacity!

Source: National Institute of Statistics and Geography (INEGI)

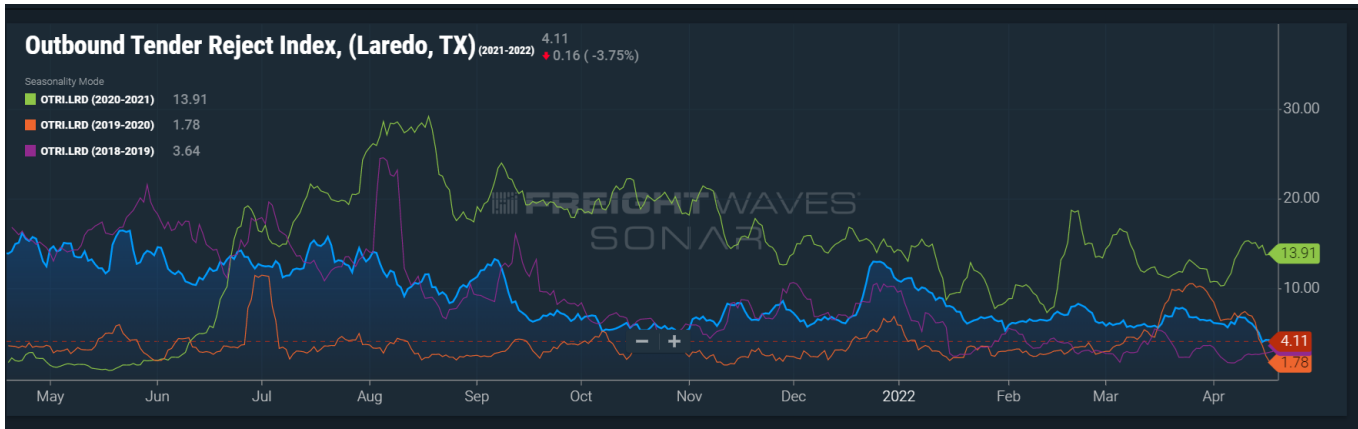
\* Port of Laredo (WTB & Colombia) values for first 11 months of 2021 as reported by INEGI / Banco de Información Económica

Source: INEGI; March 2022

# Laredo Outbound Tender Volumes continue to be strong



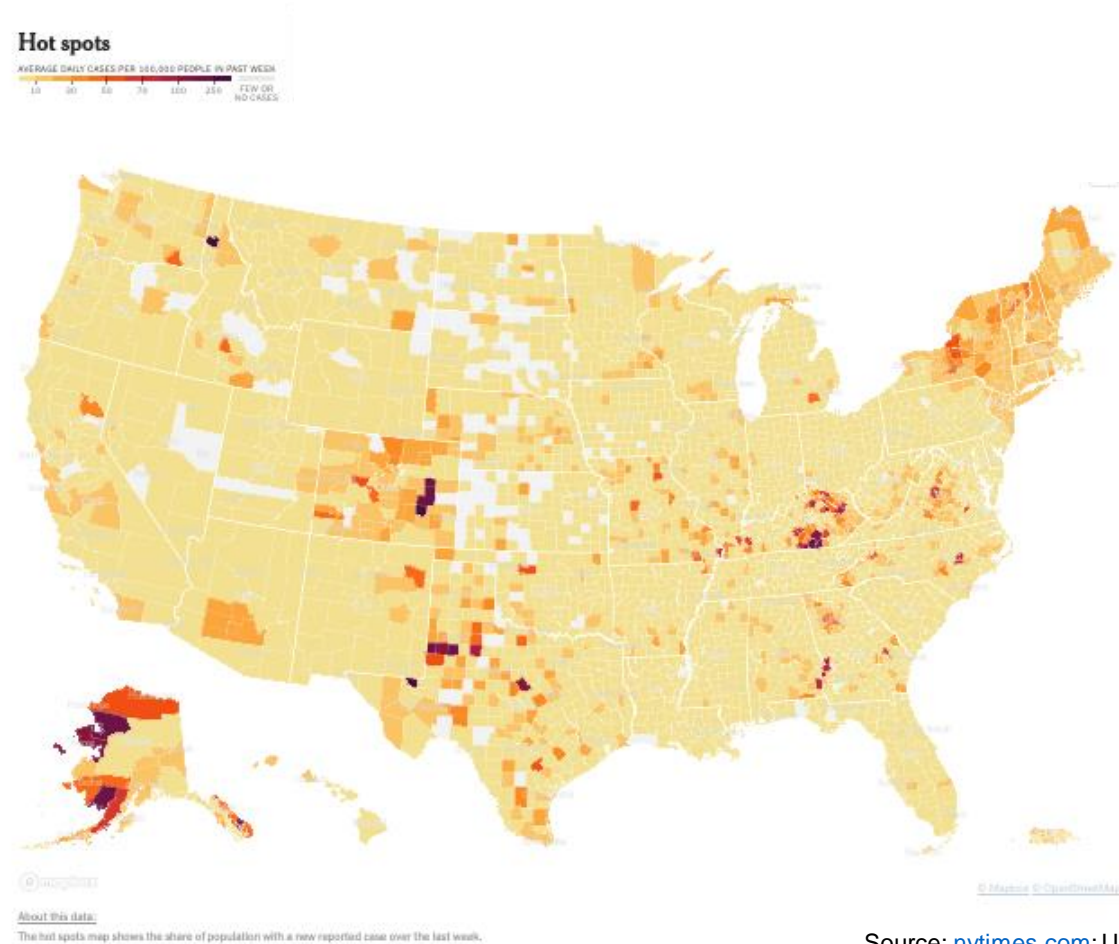
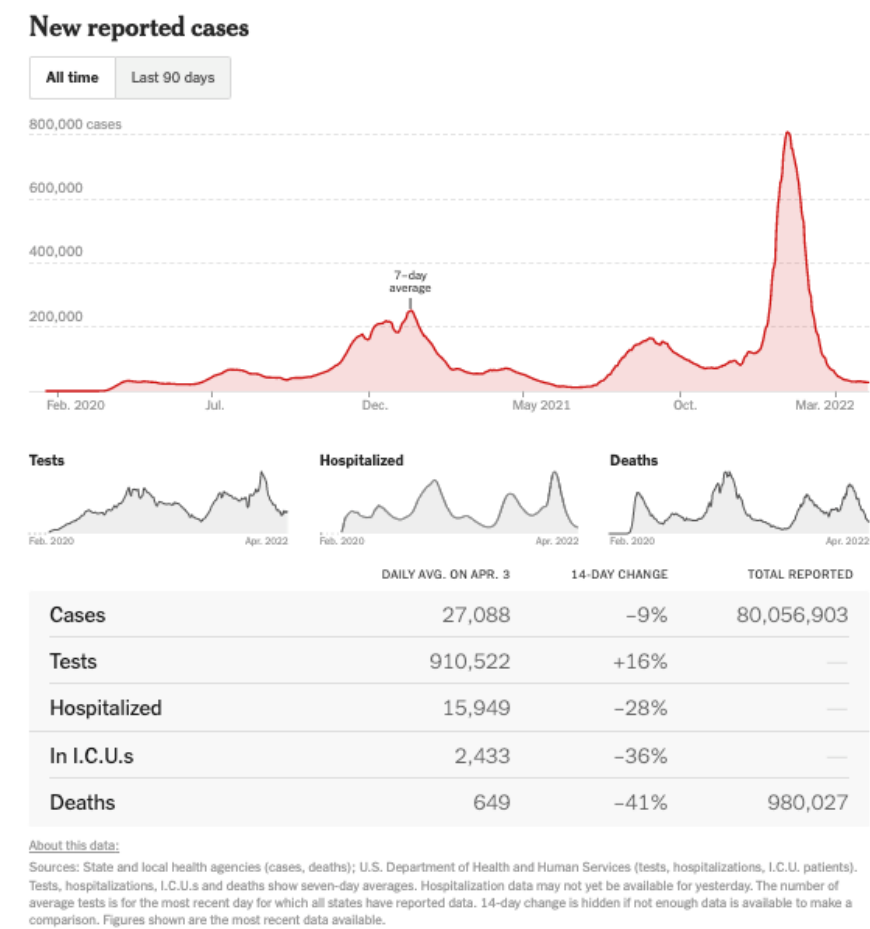
Compared to the Outbound Tender Volume Index levels during this time in the previous two years, current OTVI is nearly equal with the same time in 2021, 122% higher than 2020 and 176% higher than 2019.



Outbound Tender Rejects remain about 70% lower than they were at the same time last year.

Sources: FreightWaves SONAR; Updated 4/20/2022

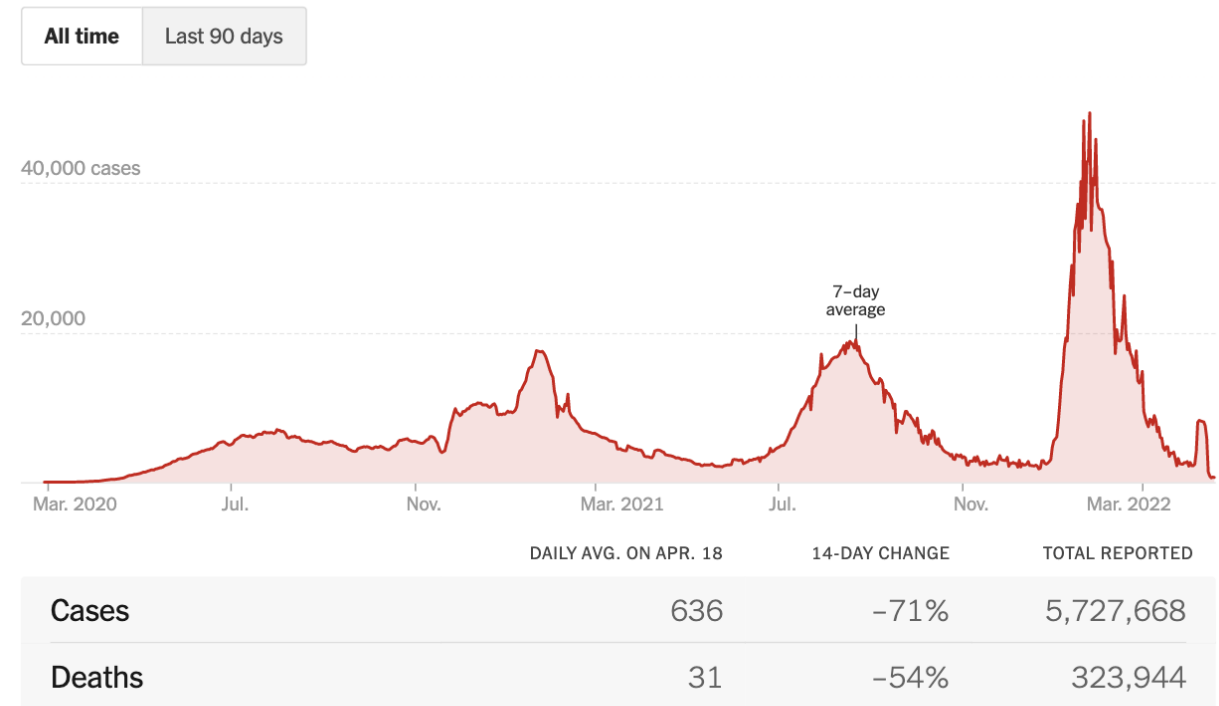
# COVID-19 cases, hospitalizations and deaths have hit the lowest levels since July 2021



Source: [nytimes.com](https://www.nytimes.com); Updated 4/4/22

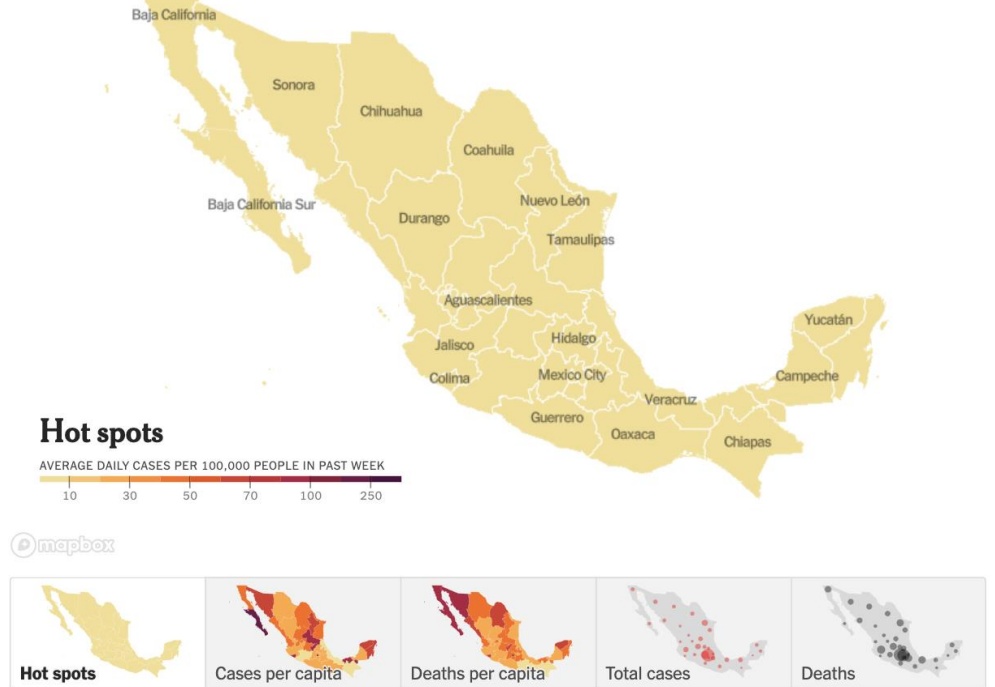
# In a similar trend, COVID-19 continues to trend downwards in Mexico after spike at the beginning of the year. Cases down nearly 90% month-over-month.

## New reported cases



### About this data:

Source: Data for Mexico comes from the [Center for Systems Science and Engineering at Johns Hopkins University](#). Population data from the [National Institute of Statistics, Geography and Informatics](#). Daily cases are the number of new cases reported each day. The seven-day average is the average of a day and the previous six days of data.



### About this data:

The hot spots map shows the share of population with a new reported case over the last week.

Source: [nytimes.com](#); Updated 4/19/2022



## Vaccination rates seem to have stalled

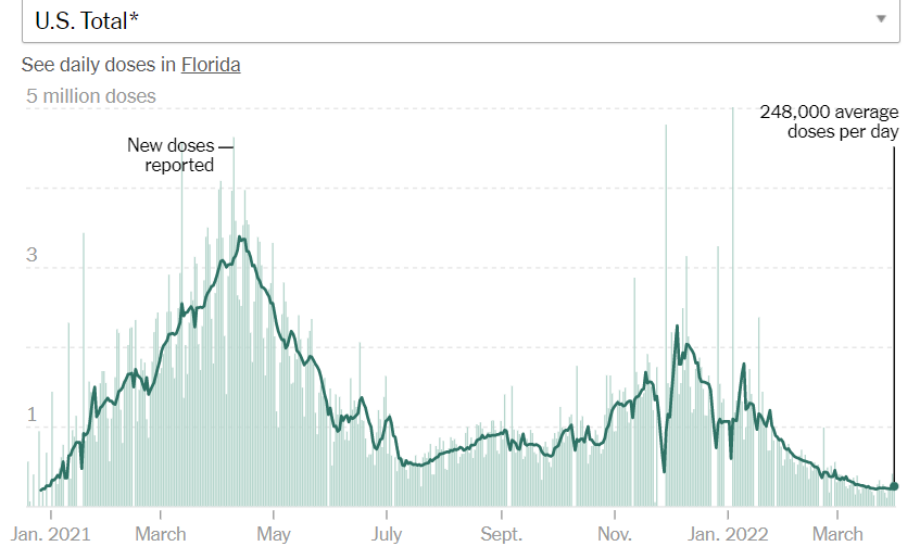
More than 5.08 billion people worldwide have received a dose of a Covid-19 vaccine, equal to about 66.2 percent of the world population.

Percent of population vaccinated (4/4/22)		
	Vaccinated	Fully vaccinated
United States	77%	66%
Canada	87%	83%
Mexico	67%	62%

Source: [cdc.gov](https://www.cdc.gov), [nytimes.com](https://www.nytimes.com), [nytimes.com](https://www.nytimes.com); Updated 4/4/22

Providers are administering about 248,000 doses per day on average, including first, second and additional doses. The bulk have been booster doses.

New reported doses administered by day



Source: Centers for Disease Control and Prevention | Note: Line shows a seven-day average. Data not updated on some weekends and holidays. The C.D.C., in collaboration with the states, sometimes revises data or reports a single-day large increase in vaccinations from previous dates, which can cause an irregular pattern.

## Restrictions removed throughout all of Mexico

All 32 states in Mexico have lifted restrictions due to the dramatic decrease in cases over the past month.

There are no mobility restrictions.

The operation of economic and social activities will be carried out as usual.

The educational model will function under the new normality in accordance with the provisions of the SEP.

The use of the mouth cover is recommended in closed public spaces and mandatory in public transport.



Source: [coronavirus.gob.mx](https://coronavirus.gob.mx); Updated 4/19/2022

# Struggling to get the capacity you need? Lacking supply chain visibility? Looking to improve your freight procurement process?



Schneider's supply chain experts are here to help you solve your supply chain challenges beyond U.S. borders.

Learn from our experts where more opportunity exists in your supply chain. Just take this quick survey for your free consultation.

**[Get your free consultation](#)**

*Not sure how you could benefit? [Read this case study](#) to learn how one manufacturer gained reliable, consistent cross-border capacity.*



**Cross borders as if there are none**

[Learn more about Schneider's reliable,  
expert Mexico/U.S. cross-border freight shipping solutions.](#)